

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**

**COMPANY LIMITED BY GUARANTEE**

**Accounts for the year ended:**

28 February 2014

**Directors:**

Mr R L Coad  
Mr I Brown  
Mrs J White  
Mrs L Bird

**Secretary:**

Mrs L Bird

**Registered Office:**

Corn Close House  
Flatts Road  
Barnard Castle  
County Durham  
DL12 8AB

**Company Number:**

00906197

**Registered Charity:**

254881

**Accountants:**

Allen Sykes Limited  
Chartered Accountants  
17 Galgate  
Barnard Castle  
County Durham  
DL12 8EQ



**THE ABBEYFIELD BARNARD CASTLE SOCIETY LTD**

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**THE ABBEYFIELD BARNARD CASTLE SOCIETY LTD**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2014**

The directors present their report and financial statements for the year.

**Principal Activity and Review**

The Company was incorporated on 16th May 1967 to provide accommodation for lonely and elderly people in accordance with the aims and principles of the Abbeyfield Society Limited. These activities fall wholly within Hostel Housing Activities as defined in the Housing Act 1974.

**Directors**

The directors who served during the year were Mr R L Coad, Mr I Brown, Mrs L Bird and Mrs J White.

**Small Companies Disclosure**

This report which has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies was approved by the board on 15th ..... and signed on its behalf by

August 2014



R L Coad  
**DIRECTOR**

Date: 15th August 2014

## **THE ABBEYFIELD BARNARD CASTLE SOCIETY LTD**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2014**

The trustees, who are also directors for the purposes of company law, present their Report for the year.

The Society was formed in 1967 as a company limited by guarantee not having share capital and is incorporated under the Companies Act 1948. The company number is 00906197. It is also a registered charity, number 254881. The registered office of the Society is Corn Close House, Flatts Road, Barnard Castle, County Durham, DL12 8AB.

#### **Structure, Governance and Management**

The Society is managed by its trustees and a management committee. These volunteers are assisted by a part-time administrator and 6 housekeepers and supporting staff.

The trustees, management committee and staff ensure that risks are monitored and assessed. Reviews of insurable risks are undertaken regularly. Expert advice is taken where necessary.

The appointment, induction and training of trustees is organised by the trustees as a body.

New trustees work closely with more experienced trustees to familiarise themselves with their role and to have their questions answered.

The trustees who served throughout the year were as follows:

Mr R L Coad  
Mr I Brown (appointed 10 October 2013)  
Mrs J White (appointed 10 October 2013)  
Mrs L Bird (appointed 14 October 2013)

The trustees are supported by a management committee made up of volunteers. Members of the committee receive the same training as the trustees to enable them to perform their role.

Members of the Management Committee who served throughout the year were as follows:

Mrs M Jenkins                      Mr K Tuck

#### **Objects and Activities**

To provide sheltered housing in Barnard Castle in accordance with the aims and principles of the Abbeyfield Society Limited to whom the Society is affiliated. Abbeyfield House was purchased in 1968. This property was extended in 1973 when the former surgery at the rear of the premises was acquired. The Society extended its activities when Corn Close House was purchased in 1997. At present the Society provides accommodation for 11 elderly residents.

The trustees have given due regard to the guidance published by the Charity Commission on public benefit. We feel that we achieve public benefit by the provision of high quality accommodation for the elderly, which allows them to live in comfort and with dignity and allows their families to have peace of mind that they are safe and well cared for.

#### **Achievements and Performance**

During the year we closed our house at Corn Close. The property was no longer fit for purpose and was becoming difficult to let. Abbeyfield House was upgraded to accommodate the four residents transferring from Corn Close and potential new residents. We were also able to create a new residents lounge to enhance the resident experience and to make the house more attractive to new residents. This resulted in all rooms being allocated by September 2013.

## THE ABBEYFIELD BARNARD CASTLE SOCIETY LTD

### TRUSTEES' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2014

The Society began to review the long term future of the Corn Close site with a view to its redevelopment to provide a larger scheme to provide older person independent living with support. The rent increase of 10% combined with six months of full occupancy at Abbeyfield House has delivered a net surplus of 3%. This has given the Society sufficient funds to enable us to continue to upgrade Abbeyfield House as required and to ensure that the Society remains viable.

#### Financial Review

Full accounts are attached to this report. As detailed on page 7 the surplus for the year amounted to £14,330 on unrestricted funds (preceding year - deficit of £10,776).

Unrestricted funds are needed:

- a) to cover administration and support costs without which the charity could not function and
- b) to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice.

Free reserves are unrestricted funds not held as functional fixed assets. The trustees consider it to be prudent that unrestricted reserves be sufficient to cover one year's expenditure. On this basis the target level of reserves for 2014 is approximately £160,000 (2013 - £160,000). However the trustees felt it appropriate to utilise surplus funds to carry out necessary repairs to the buildings. The charity did not have any free reserves at 28<sup>th</sup> February 2014.

The trustees believe that the reserves should be built up to the desired level in stages consistent with the charity's overall financial position and the need to maintain and develop its charitable activities.

#### Future Plans

- a) to continue to provide sheltered housing in Barnard Castle in accordance with the aims and principles of the Abbeyfield Society Ltd.
- b) to work towards ensuring that all rooms are as fully occupied as is possible.

#### Statement of Trustees Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustees



Mr R-L Coad  
DIRECTOR

Date: 15<sup>th</sup> August 2014

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**

I report on the accounts of the charity for the year ended 28 February 2014 set out on pages 7 to 12

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER**

The charity's trustees (who are also the directors of The Abbeyfield Barnard Castle Society Limited for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**BASIS OF INDEPENDENT EXAMINER'S STATEMENT**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

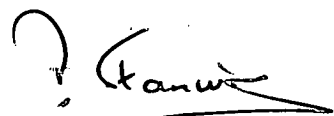
**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Stanwix FCA  
Independent Examiner

Allen Sykes Limited  
Chartered Accountants  
17 Galgate  
Barnard Castle  
County Durham  
DL12 8EQ

Date: 15/8/14

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 28 FEBRUARY 2014**

<u>Notes</u>	<u>2014</u> <u>Total</u> <u>Funds</u> <u>£</u>	<u>2014</u> <u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>2013</u> <u>Total</u> <u>Funds</u> <u>£</u>
<b><u>Incoming Resources</u></b>			
Incoming resources from generated funds			
Voluntary income	572	572	1,065
Investment income	18	18	26
Incoming resources from charitable activities			
-Residential Care Income: Rents Received	156,930	156,930	188,005
<b><u>Total Incoming Resources</u></b>	<u>157,520</u>	<u>157,520</u>	<u>189,096</u>
<b><u>Resources Expended</u></b>			
Charitable activities	105,807	105,807	156,385
Governance costs	46,453	46,453	43,487
<b><u>Total Resources Expended</u></b>	<u>152,260</u>	<u>152,260</u>	<u>199,872</u>
<b><u>Net (Outgoing)/Incoming Resources</u></b> 3	5,260	5,260	(10,776)
<b><u>Funds Brought Forward</u></b>	427,602	427,602	438,378
<b><u>Funds Carried Forward</u></b>	<u>432,862</u>	<u>432,862</u>	<u>427,602</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 11 form part of these accounts.

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**BALANCE SHEET AS AT 28 FEBRUARY 2014**

			<u>2014</u>		<u>2013</u>
<u>Tangible Fixed Assets</u>	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Freehold Land & Buildings at Cost	5		439,274		419,343
Fixtures, Fittings and Equipment	5		11,148		10,338
Office Furniture & Equipment	5		1,711		746
<b><u>Total Fixed Assets</u></b>			<u>452,133</u>		<u>430,427</u>
<b><u>Current Assets</u></b>					
Debtors	6	322		2,963	
Cash at Bank and in Hand		<u>23,847</u>		<u>12,577</u>	
		24,169		15,540	
<b><u>Current Liabilities</u></b>					
Amounts falling due within one year	7	<u>13,417</u>		<u>11,560</u>	
<b><u>Net Current Assets</u></b>			10,752		3,980
<b><u>Excess Of Assets Over Current Liabilities</u></b>			<u>462,885</u>		<u>434,407</u>
<b><u>Creditors:</u></b>					
Amounts falling due after more than one year	8		30,023		6,805
<b><u>Excess of Assets over Liabilities</u></b>			<u>432,862</u>		<u>427,602</u>
<b><u>Financed By</u></b>					
<b><u>Unrestricted Funds</u></b>					
General Funds Brought Forward			427,602		438,378
Net Incoming/(Outgoing) Resources for the Year			<u>5,260</u>		<u>(10,776)</u>
			<u>432,862</u>		<u>427,602</u>

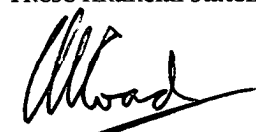
The Trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477 and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its results for the financial year in accordance with the requirements of section 393 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the board on 16.2.14 and signed on its behalf by:



R L Coad  
Director

Company Registration Number: 00906197

The notes on pages 9 to 11 form part of these accounts.



**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR TO 28 FEBRUARY 2014**

**1 Status of the Society**

The Society is a company limited by guarantee and not having a share capital. It was incorporated under the Companies Act 1948 and is registered as a charity.

**2 Accounting Policies**

**2.1 Accounting Convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 2006.

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Charity is small.

**2.2 Residential Care Income**

This is recognised on a receivable basis.

**2.3 Resources Expended**

Expenditure is included on an accruals basis. The residential care costs include wages and salaries and other costs incurred in the running of the properties.

**2.4 Fund accounting**

General funds are available for use at the discretion of the directors in furtherance of the general objectives of the company.

Designated funds are unrestricted funds which have been set aside by the Trustees to be used for a particular purpose.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the appeal.

All income and expenditure is shown in the statement of financial activities.

**2.5 Fixed Assets**

All fixed assets are initially recorded at cost.

**2.6 Depreciation**

Freehold property is not depreciated on the basis that the property is maintained in such condition that the value is not impaired with the passing of time. Such expenditure is charged to the profit and loss account in the year in which it is committed. As a consequence, any element of depreciation would, in the opinion of the trustees, be immaterial and no provision for depreciation has been made.

Fixtures, Fittings and Equipment : 15% reducing balance

Office Furniture & Equipment : 40% reducing balance

**2.7 Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**3 Net (Outgoing)/Incoming Resources**

This is stated after charging the following:

Examiner's Fees

Depreciation

<u>2014</u>	<u>2013</u>
£	£
1,440	1,230
2,427	2,196

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR TO 28 FEBRUARY 2014**

**4 Employee Costs**

Included within residential care costs and administration costs are the following:	<u>£</u>	<u>£</u>
Employee Costs: Wages	81,422	97,845
National Insurance	<u>2,719</u>	<u>3,582</u>
	<u>84,141</u>	<u>101,427</u>
Average Number of Employees	<u>11</u>	<u>11</u>

The trustees neither received nor waived any emoluments during the year.  
Trustee expenses totalling £Nil were paid during the year (2013 - £Nil).  
No employee received emoluments of over £60,000.

<b>5 Fixed Assets</b>	<b><u>Abbeyfield House</u></b>	<b><u>Corn Close House</u></b>	<b><u>Total</u></b>
	<b><u>Galgate</u></b>	<b><u>Flatts Road</u></b>	
<b>(A) Freehold Property</b>			<u>£</u>
Cost at 28.02.13	59,507	359,836	419,343
Additions	<u>19,931</u>	-	<u>19,931</u>
Cost at 28.02.14	<u>79,438</u>	<u>359,836</u>	<u>439,274</u>
<b>(B) Fixtures, Fittings and Equipment</b>			
Cost at 28.02.13	31,072	25,812	56,884
Additions	<u>2,623</u>	-	<u>2,623</u>
Cost at 28.02.14	<u>33,695</u>	<u>25,812</u>	<u>59,507</u>
Depreciation to 28.02.13	25,876	20,670	46,546
Charge for Year	<u>1,042</u>	<u>771</u>	<u>1,813</u>
Depreciation to 28.02.14	<u>26,918</u>	<u>21,441</u>	<u>48,359</u>
Net Book Value at 28.02.13	<u>5,196</u>	<u>5,142</u>	<u>10,338</u>
Net Book Value at 28.02.14	<u>6,777</u>	<u>4,371</u>	<u>11,148</u>
<b>(C) Office Furniture &amp; Equipment</b>			
Cost at 28.02.13		5,498	
Additions		<u>1,579</u>	
Cost at 28.02.14		<u>7,077</u>	
Depreciation to 28.02.13		4,752	
Charge for Year		<u>614</u>	
Depreciation to 28.02.14		<u>5,366</u>	
Net Book Value at 28.02.13		<u>746</u>	
Net Book Value at 28.02.14		<u>1,711</u>	

The directors consider that the market value of freehold property exceeds its book value.

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR TO 28 FEBRUARY 2014**

<b>6</b>	<b>Debtors</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
		<u>£</u>	<u>£</u>
	Prepayments and Accrued Income	<u>322</u>	<u>2,963</u>
<b>7</b>	<b>Creditors: Amounts Falling Due Within One Year</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
		<u>£</u>	<u>£</u>
	Bank Loan	4,186	682
	Other Taxes and Social Security Costs	1,113	1,760
	Accruals and Deferred Income	8,118	9,118
		<u>13,417</u>	<u>11,560</u>

The bank loan of £4,186 (2013 - £682) is secured as detailed in note 8.

<b>8</b>	<b>Creditors: Amounts Falling Due After More Than One Year</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
		<u>£</u>	<u>£</u>
	Bank Loan	<u>30,023</u>	<u>6,805</u>
	<b><u>Note</u></b>		
	<b><u>Bank Loan</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
		<u>£</u>	<u>£</u>
	Amounts repayable:		
	Between two and five years	21,201	2,953
	More than five years	8,822	3,852
		<u>30,023</u>	<u>6,805</u>

The loan was obtained to purchase Corn Close House, Flatts Road, Barnard Castle and is secured by a first legal charge over the freehold properties, Abbeyfield House, Galgate, Barnard Castle and Corn Close House, Flatts Road, Barnard Castle.

- 9 Value Added Tax**  
The company makes only exempt supplies and is therefore not registered for VAT. All expenditure is included in the accounts inclusive of VAT where applicable.
- 10 Taxation**  
The charitable company is exempt from corporation tax on its charitable activities.
- 11 Company Limited by Guarantee**  
The company is limited by guarantee, there being no share capital. Each member of the company is liable to the extent of £1 in the event of the company being wound up with liabilities exceeding assets.
- 12 Controlling Parties**  
The company is not under the control of any individual, there being no issued share capital, and as such is controlled by the Board of Directors and Management Committee as a whole.
- 13 Restricted Funds**  
During the year there were no restricted funds. All assets and liabilities are represented by unrestricted funds.

**THE ABBEYFIELD BARNARD CASTLE SOCIETY LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2014**

		<u>2014</u>		<u>Corn</u>	<u>2013</u>
<b>Income</b>		<b><u>Total</u></b>	<b><u>Galgate</u></b>	<b><u>Close</u></b>	<b><u>Total</u></b>
Rent	Flats	70,984	70,984	-	42,360
	House	85,946	66,193	19,753	145,645
Total Fees		<u>156,930</u>	<u>137,177</u>	<u>19,753</u>	<u>188,005</u>
Donations		572	-	572	1,065
Interest Received		18	18	-	26
<b>Total Income</b>		<b><u>157,520</u></b>	<b><u>137,195</u></b>	<b><u>20,325</u></b>	<b><u>189,096</u></b>
<b>Expenditure</b>					
<i>Charitable activities</i>					
Insurances		2,655	1,407	1,248	2,815
Repairs and Maintenance		8,869	7,766	1,103	22,857
Garden Maintenance		489	-	489	1,585
Residents Care		3,645	2,867	778	4,240
Housekeeping		10,676	9,360	1,316	19,475
Employee Costs		55,992	41,244	14,748	78,088
Rates and Water		5,257	2,685	2,572	5,412
Heat and Light		18,071	12,491	5,580	21,767
T.V. Licence		153	153	-	146
		<u>105,807</u>	<u>77,973</u>	<u>27,834</u>	<u>156,385</u>
<i>Governance costs</i>					
Affiliation Costs		3,447	2,999	448	4,614
Accountant's Fees		1,440	1,253	187	1,230
Office Expenses		5,186	4,512	674	7,706
Administration		26,865	23,373	3,492	23,338
Bookkeeper		1,620	1,409	211	2,850
Interest and Charges Payable		1,628	1,416	212	139
Telephone		1,440	125	1,315	1,414
Depreciation: Fixtures and Fittings		1,813	1,042	771	1,823
Depreciation: Office Equipment		614	534	80	373
Professional fees		2,400	2,088	312	-
		<u>46,453</u>	<u>38,751</u>	<u>7,702</u>	<u>43,487</u>
<b>Total Expenditure</b>		<b><u>152,260</u></b>	<b><u>116,724</u></b>	<b><u>35,536</u></b>	<b><u>199,872</u></b>
<b>Net Income/(Expenditure) for the year</b>		<b><u>5,260</u></b>	<b><u>20,471</u></b>	<b><u>(15,211)</u></b>	<b><u>(10,776)</u></b>